

HOUSE BILL NO. 441

INTRODUCED BY G. MATTHEWS

A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A JOB GAINS TAX CREDIT; PROVIDING A REFUNDABLE TAX CREDIT AGAINST INDIVIDUAL INCOME TAXES OR CORPORATE LICENSE TAXES BASED UPON THE LOCATION OF THE QUALIFYING NEW JOBS; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Job gains tax credit. (1) There is allowed as a credit against the taxes imposed by 15-30-103, 15-31-101, 15-31-121, and 15-31-122 an amount equal to:

(a) the job gains tax credit determined under subsection (2); and

(b) any job gains tax credit carryovers.

(2) There is a job gains tax credit of \$150 for each qualifying job for the first 5 years that a job is filled in counties of the first and second class and \$300 a year in all other classes of counties with a population of less than 15,000 people. A county's population must be based upon the most recent decennial census. A qualifying job must:

(a) be a permanent position in which the employee receives payment for 2,080 hours a year;

(b) pay an annual salary that is at least 150% of the federal minimum wage; and

(c) be in addition to any job that existed with the entity claiming the credit on [the effective date of this act].

(3) An entity that operates in more than one county must receive the credit provided for in subsection (2) based upon the county in which the new job is located.

(4) If the credit granted under this section exceeds the taxpayer's liability for the tax year, the amount of the excess may be refunded to the taxpayer.

(5) A taxpayer claiming a credit under this section may not also claim a credit under the provisions of 15-31-125.

NEW SECTION. Section 2. Job gains tax credit. There is a job gains tax credit allowed against

1 the taxes imposed by 15-30-103 as provided in [section 1].

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3 NEW SECTION. **Section 3. Codification instruction.** (1) [Section 1] is intended to be codified as
4 an integral part of Title 15, chapter 31, and the provisions of Title 15, chapter 31, apply to [section 1].

5 (2) [Section 2] is intended to be codified as an integral part of Title 15, chapter 30, and the
6 provisions of Title 15, chapter 30, apply to [section 2].

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8 NEW SECTION. **Section 4. Effective date.** [This act] is effective on passage and approval.

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10 NEW SECTION. **Section 5. Applicability.** (1) [This act] applies to tax years beginning after
11 December 31, 2001.

12 (2) [This act] applies to jobs created after December 31, 2001.

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